



Singapore June core inflation hits 13-year high, tightening risks in focus

SINGAPORE, July 25 (Reuters) - Singapore's key consumer price gauge rose at its fastest pace in more than 13 years, official data showed on Monday, increasing pressure on the central bank to consider tightening monetary policy again later this year if inflation pressures persist.

The data showed inflation rising across a broad set of categories including services, food, retail and utilities. The core inflation rate — the central bank's favoured price measure - rose to 4.4% in June on a year-on-year basis. A Reuters poll of economists had forecast a 4.2% increase in June.

Headline inflation rose to 6.7%, compared with economists' forecast of 6.2%.

"Our base case remains for the Monetary Authority of Singapore to tighten its FX policy settings again in October," said Brian Tan, senior regional economist at Barclays, which also raised its full-year inflation forecast following the data.

The MAS manages monetary policy through exchange rate settings, rather than interest rates, as trade flows dwarf its economy.

Tan sees a 50 basis point slope increase in October to an estimated 2.0% and noted the high risk of another.....

[SOURCE](#)

BOJ agreed on need for low rates, saw wage hikes as key to outlook

TOKYO, July 26 (Reuters) - Bank of Japan policymakers saw wage hikes as key to sustainably achieve their 2% inflation target, minutes of the June meeting showed, underscoring the bank's resolve to keep interest rates ultra-low despite growing signs of price pressure.

Some in the nine-member board saw price rises broadening and leading to changes in long-held public perceptions that inflation and wages would not rise much in the future, according to the minutes.....

[SOURCE](#)

Inflation shock sends chill through British factories, but hiring holds up

A softening in the UK economy caused by surging inflation has clamped down on UK factories, a closely watched survey published today reveals.

A net balance of six per cent of British manufacturers posted new



order growth over the last three months, down sharply from 25 per cent in the three months to June, according to the Confederation of British Industry (CBI).....

[SOURCE](#)